SHRI DAYANIDHI MARAN: Sir, to answer the hon. Member, through you, I would like to say that the IT Act complements the existing laws of the country. The IT Act is not a special Act. I know the hon. Member himself is a lawyer, he is a senior lawyer and I would not like to argue with him in this case. But I would like to say that the IT Act is supposed to complement and to give the law enforcers a clear view as to what is electronic data, how is it abused; to give them a view as to how to use the developing technologies and how are they abused. Sir, as I said earlier in reply to a question put by the hon. Member, Shri Jairam Ramesh, I would be happy to give the details to the hon. Members.

* 171. [The questioner (Shrimati Hema Malini) was absent. For answer *vide* page 40.]

Flat rate for telecom sector

*172. SHRI NILOTPAL BASU: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that Government are contemplating a flat rate for the whole country for telecom tariff;

(b) if so, the impact of this on local calls and long distance calls;

(c) whether it is a fact that the long distance calls in India are one of the cheapest in the world;

(d) if not the comparative rates elsewhere; and

(e) the possible impact of flat rate on excessive deficit charges?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI DAYANIDHI MARAN): (a) to (e) A Statement is laid on the Table of the House.

Statement

(a) and (b) While the Government is working towards One India Call rate, the proposed measure is at the initial stage. Therefore its impact on local call and long distance call rates cannot be determined at this stage.

(c) and (d) The service providers are offering various tariff plans for their subscribers and these plans vary in terms of combination of monthly rentals, call charges and free call allowance etc. International comparison of tariff for telecom services and pulse rate for such services is rendered difficult and may not be realistic because of many tariff packages, varying

exchange rates, difference in purchasing power and tele-densities across countries. However, telecom tariff including tariff for long distance calls in India in general is considered to be on the lower side internationally.

(e) It is too early to determine the impact of flat rate on Access Deficit Charge.

SHRI NILOTPAL BASU: Sir, I think the statement by the Minister actually creates more confusion than it clarifies the situation. The basic issue in this slogan 'one India call rate' actually undermines the critical question that the Indian telecom sector is facing today. Sir, we have a tele-density of 1.9 in the rural areas, whereas the tele-density in the urban ares is 20 and in the metropolitan cities, it is 40. Now, all over the world, telecom development has progressed along the route that long distance calls have subsidised local calls and it is critical to have right mix of local call prices to expand the network. Now, in spite of this sharp growth in telecom, the network coverage is only 20 per cent. So, Sir, the question which I would like to ask the Minister is, whether before giving this call, the Government has carefully considered the impact it will have in terms of expanding rural network.

SHRI DAYANIDHI MARAN: Sir, the Member has raised a very valid point. I would like to tell the House, as the hon. Member knows that he is one of the persons who is getting the benefit from the new policies of the Government, that is, the State of West Bengal. Sir, we were treating differently the four States in the country which were lagging behind the other States. These are the States of West Bengal, Uttar Pradesh, Maharashtra and, of course, Tamil Nadu, where every other State making a local call, in these States, they were treated differently. They were treated as two circles and call was like an STD. Recently, this Government removed such artificial barriers and brought them at par. With the advance technology, distance makes no sense. I would also like to ask the hon. Member, when he is making a call from the USA to India, is there a special rate to call Delhi, or Tamil Nadu or Karnataka or any other States in India? Today, fibres are there throughtout the country. And, it is the policy of the Government to make telecom affordable to the common man. We will do anything to ensure that the common man does not feel pinched or does not feel hurt in using the telecom. In fact, it is our policy to ensure that a person living in the villages, should be able to pick up the phone rather than writing a post card. So, we are proceeding towards that. Sir, definitely, 'One India" is possible and the Government of India is working towards that. We are trying to make sure that we take away all the artificial barriers.

SHRI NILOTPAL BASU: Sir, I am really impressed with the articulation of the Minister. But, let him answer the question that while these initiatives have been on, why, during this entire period of tariff reforms in this country, have the prices gone up for the rural telephone subscribers, while it has gone down for urban users and mainly the commercial users of telephone?

SHRI DAYANIDHI MARAN: Sir, I would like to tell the Member, right now, it is an open market and all the private operators and the Government telecom companies compete with each other. Sir, the prices are decided by the TRAI. The prices are set by the TRAI. ...(*Interruptions*)...

SHRI N.K. PREMACHANDRAN: What is the credibility of the TRAI? ...(*Interruptions*).. Everybody knows about TRAI. ...(*Interruptions*).... Credibility of TRAI is well-known. ...(*Interruptions*)..

SHRI DAYANIDHI MARAN: Why don't you wait for me to answer? ...(*Interruptions*).. Why don't you wait for me to complete? ...(*Interruptions*).. Sir, I would like to explain this question because the august Member has raised a very valid point why prices are high in the rural areas and why prices are low in the cities. I would explain to the hon. Member how the price structure is operating in the country. In fact, the rental which is decided by the TRAI is around Rs. 361 per customer per month. But, Sir, we are charging about Rs. 100 to Rs. 120 as rent in the rural areas compared to Rs. 250 in the urban areas. Sir, the BSNL is charging rental at subsidised rates in rural areas. We are trying to get into a competitive mode. Naturally, competition is going to force the prices to come down. It is for the market forces to act. Sometimes we have realised. ...(*Interruptions*).. Of course, I have to agree here with the hon. Member that the price control is not in my hands; it is in the hands of market forces and the regulator, TRAI. ...(*Interruptions*)..

MR. CHAIRMAN: Next question; 173.

SHRI DAYANIDHI MARAN: Sir, the hon. Member is a very senior Member and also part of the consultative Committee. ...*(Interruptions)*...

Indo-Bangladesh Foreign Secretaries talks on fencing

*173. SHRI MOOLCHAND MEENA:†
DR. T. SUBBARAMI REDDY:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Foreign Secretaries of India and Bangladesh have agreed to discuss border fencing;

†The question was actually asked on the floor of the House by Shri Moolchand Meena.